

# Work requirements to qualify for government aid: How well does it work?

WASHINGTON — Ever since the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 — longhand for “welfare reform” — became law, the federal government has imposed work requirements for adults receiving Temporary Assistance for Needy Families money.

Generally, the recipient of such money has to work at a job, be actively seeking a job or take part in a job training program — and be able to document it — to receive the cash assistance. Those who don’t are at risk of having their funds cut off for months. For repeat offenders, it could be years.

In January, President Donald Trump signed an executive order that encouraged federal agencies to find ways to expand work requirements as a condition of receiving benefits.

That encouragement has spread to states, as some have tied work requirements to expansion of federal Medicaid benefits to those not just below the federal poverty line, but barely scraping above it.

Congress also has picked up on the hint, as the House version of the farm bill which passed in June imposed more restrictive work requirements for those receiving federal Supplemental Nutrition Assistance Program benefits, once known as food stamps, with some critics warning that 2 million Americans — many of them children — would be in danger of being cut off from aid.

Does imposing work requirements work?

Andy Schneider, a research professor at the Center for Children and Families in Georgetown University’s Health Policy Institute, suggested that when it comes to Medicaid coverage, the question is not germane.

“To get to the chase here, it’s not about encouraging people to work. It’s not about providing work supports like transportation or child care. That’s not what Medicaid does,” Schneider told Catholic News Service.

To date, 32 states have expanded their Medicaid coverage to all adults under 138 percent of the federal poverty level. Virginia, which approved Medicaid expansion and imposed work requirements in May, will be the 33rd. Of those, Kentucky, Indiana, Arkansas and Wyoming have gotten approval from the federal Department of Health and Human Services to impose work requirements, according to Schneider; Alabama and Mississippi have their requests pending at HHS.

Schneider said he was part of an amicus brief in a federal suit testing whether HHS’ approval of new work requirements for Kentucky, which had expanded Medicaid protection years ago, is legal. But the case was rejected June 29 by a federal judge. Kentucky Gov. Matt Bevin, a Republican, has threatened to rescind the expansion if it is not tied to work requirements.

“Requiring people to work is not what Medicaid as a health insurance program does. It’s not the purpose. It was not designed to do it. It doesn’t provide and funds for work support,” he said. And trying to do so, Schneider added, is like trying to put “mashed potatoes into a Popsicle mold.”

LaDonna Pavetti, vice president of family income support policy at the Center on Budget and Policy Priorities, has been tracking government assistance to families since before the 1996 welfare overhaul.

Some states do better at supporting families, she said. “No program is perfect,” but California’s is “pretty comprehensive,” Pavetti added. The state has “a pretty robust cash employment program. More people who need it (get it). They address the diversity of needs ... for people who really need it,” including community college education, she said. Minnesota doesn’t have the community college component, but much else of what California offers.

At the other end of the spectrum, “in Georgia, you basically have to be able to show up for 40 hours a week before you ever get on” the benefit rolls, Pavetti said, with only 5 percent of those eligible receiving TANF benefits. “Indiana, a few years, ago

made a policy change and so there it's just plummeted."

Before the imposition of work requirements, according to Pavetti, 68 percent of those eligible nationwide received benefits. "Now it's 23 (percent). ... In some states, it's four. In some states, it's just disappeared."

Why? "It's a mix of things," Pavetti replied. "The requirements are onerous and people find it difficult to meet. The programs people are required to participate in are not great."

At the start of the 1996 welfare overhaul, "if you look what happened, there was an increase in employment, but five years out, they all go away," she said. That span coincided with an expansion and contraction of the economy, but the subsequent economic boom didn't trickle down far enough to affect needy families until now, which in Pavetti's calculations is roughly equivalent to 1996.

"You didn't see much of an increase in earnings or income. They lost cash assistance, so they canceled each other out," Pavetti added.

"The people who say this is a success story use four years of data, and then we have 17 years of data after that. They still spread this story that work requirements are the best thing since sliced bread," she said. "I always wonder what we've done wrong in telling this story."

The House version of the farm bill is already making some people nervous.

"I think the fear is that folks might lose some of these benefits with that new proposal which includes that new provision that would require folks to work 20 hours a week or lose their benefits," said Jose Chapa, a legislative campaign coordinator for Justice for Farmworkers, part of Rural Migrant Ministry in New York state.

"There are people who are not maybe able to find work. That's a big fear in the community," Chapa told CNS. "If you are not able to find those 20 hours of work a week, and you do have children that depend on meals, are they going to be affected by it? It seems that with this restructuring, some families would be affected by that change."

A June 26 analysis by the Kaiser Family Foundation found that 42 percent of those non-elderly adults receiving Medicaid benefits were already working full time, and another 18 percent were working part time. Fourteen percent said illness or disability kept them from working, 12 percent said they were caregivers and 6 percent said they were going to school. Of the remaining 7 percent, retirement or the inability to find work were among the top reasons for not working.

Politifact rated as “mostly false” a Jan. 22 Heartland Institute claim that work requirements have been “proven to help impoverished families move from dependency to self-sufficiency.”

“Work requirements might help in some instances, but the data also show that they leave some families worse off,” it concluded. “The most inclusive, long-term research shows that requiring work in order to get government benefits reduces the use of benefits and increases employment. It does not, however, reliably produce enough income gains to lift people out of poverty or free them from reliance on other government assistance.”

But what happened to those who didn’t meet the work requirements and got kicked off federal assistance?

They were “living in whatever ways they could,” Pavetti said. “Some of it was doubling up with relatives. Some of it was whatever odd jobs they could get. Some of it was selling plasma. Some of it was living on their food stamps. ... Some kids got put in foster care.”

She added, “It doesn’t take much — losing your job or your car breaking down — to start the spiral.”

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